

Grand Central Silver Mines, Inc.

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September 8, 1998

Mr. Tom Munson
Utah Division of Oil, Gas & Mining
Mineral Reclamation Program
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

sent via fax to 801-359-3940

Dear Tom,

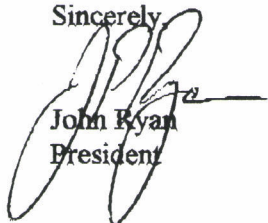
I appreciate your efforts at assisting the company with resolving our reclamation matters. I realize that the past few months have been quite confusing and under-productive from the standpoint of getting the work done.

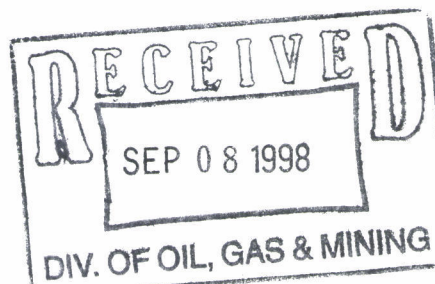
Thankfully, it seems that some clarity on how the company's program should be run going forward has developed. Specifically, I have now appointed Darby Sharp as being in charge of our reclamation program. Barry Katona will have an ancillary role and will provide assistance if necessary, but Darby is now our point man. Barry has other matters which he will attend to on behalf of the company.

We are now, it appears, quite close to closing a funding for the company which will allow me to escrow a dedicated amount of funds to continue with the more expensive reclamation involving track-hoe work or other heavy equipment.

Darby has promised me a detailed plan of action by next week. After I have reviewed it, I will forward it to you for your review and comment. Again, Tom, I am extremely pleased at the progress we are making and will continue to make in the future. Do not hesitate to call me at anytime if I can be of further assistance.

Sincerely,


John Ryan
President



5/023/041
E/023/033
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E/045/085
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